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original vision and returning to its "everyday low prices" mantra. The company unleashed a new campaign, "It's Back," to signal the return of the merchandise it removed. Walmart executives are encouraging store managers to compare prices with competitors to ensure Walmart offers the lowest prices.

In spite of these problems at its domestic stores, Walmart's revenues are on the rise thanks to its international stores. While domestic sales remain flat, the company continues to expand internationally to make up for lower growth in the home market. This strategy requires Walmart to adapt to different social, cultural, regulatory, economic, and political factors. Walmart is known for its ability to adapt quickly to different environments, but even this large-scale retailer has experienced trouble. For instance, it closed its stores in Germany and South Korea after failing to interest the local population. The more Walmart expands internationally, the more the company must decide what concessions it is willing to make to enter certain markets.

Despite the difficulties of operating globally, Walmart has achieved a number of successes. After years of struggling in the Japanese market, for example, Walmart began turning a profit in 2008 through its acquisition of Japanese retailer Seiyu Ltd. Walmart is investing heavily in its Canadian operations and acquired a majority stake in South African firm Massmart Holdings Ltd. Though the company will likely experience several bumps in the road, its international markets appear to offer strong growth potential.

## The Future of Walmart

Walmart can be viewed through two very different lenses. Some think the company represents all that is wrong with America, while others love it. In response to criticism, and in an attempt to initiate goodwill with consumers, the company has continued to improve stakeholder relationships and made efforts to demonstrate it is an ethically responsible company. Although it has faced controversy regarding competition, suppliers, employees, and global corruption, it has also demonstrated concern for sustainability initiatives and social responsibility. Its goals of decreasing its waste and carbon emissions extend to all facets of its operations, including suppliers. These efforts demonstrate Walmart's desire (whether through genuine concern for the environment or for its own bottom-line profits) to become a more sustainable company.

Similarly, Walmart's creation of an ethics and compliance program shows it has come a long way since its beginning, when formal ethics programs were deemed unnecessary. However, without strong monitoring systems and a commitment from top management to enforce the company's ethical policies, such efforts will prove fruitless. Overseas bribery scandals and employee discontent has tarnished Walmart's reputation. As a result, the company is working to improve internal control mechanisms and supplier auditing. Both critics and supporters of Walmart alike are waiting to see whether Walmart's efforts will position the company as a large retailer dedicated to social responsibility.

## QUESTIONS

1. Do you think Walmart is doing enough to become more sustainable?
2. What are the ethical issues Walmart has faced?
3. How is Walmart attempting to answer concerns regarding misconduct?



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